

**THE SUGAR INDUSTRY LABOUR
WELFARE FUND COMMITTEE**

**ANNUAL REVIEW
2004**



**LAND OF CANAAN, EAST BANK DEMERARA WAS GRADED AND DRAINED THEN
SURVEYED FOR HOUSE LOT**

THE SUGAR INDUSTRY LABOUR WELFARE FUND COMMITTEE

Review of the Operations of The Sugar Industry Labour Welfare Fund Committee (SILWFC) for the year 2004.

1. **INTRODUCTION:**

In accordance with the regulation of The Sugar Industry Labour Welfare Fund Committee (SILWFC) we the members of the Committee, have the honour to submit our report on the administration of the Fund for the year 2004.

2. **MEMBERS OF THE COMMITTEE**

At the beginning of the year the Committee comprised of two (2) Public Officers, three (3) representatives from the Trade Unions and three (3) from Guyana Sugar Corporation – GuySuco.

| | | | | | |
|-----|-------------------------------|---|----------|---|---------------------------------|
| (1) | Mr. M.A. Akeel, A.A. | - | Chairman | } | Public Officers |
| (2) | Ms. D. Montouth-Hollingsworth | - | Member | | |
| (3) | Mr. J. Persaud | - | Member | } | Representatives of Trade Unions |
| (4) | Mr. C. Duncan | - | Member | | |
| (5) | Mr. K. Joseph | - | Member | | |
| (6) | Mr. J. Petam | - | Member | } | Representatives of GuySuco |
| (7) | Mr. A Z Gafur | - | Member | | |
| (8) | Mrs. A. DeSouza-Pompey | - | Member | | |

During the year there were thirteen (13) Main Committee and seven (7) Sub Committee meetings.

At these meetings various policy decisions were taken and implemented by management.

3. **STAFF**

The staff of the Committee comprised:-

- ❖ Accountant
- ❖ Assistant Accountant
- ❖ Principal Assistant Secretary

- ❖ Assistant Accountant
- ❖ Conveyancing Officer
- ❖ Confidential Secretary
- ❖ Clerks
- ❖ Typist/Clerks
- ❖ Computer Operator
- ❖ Building Inspectors
- ❖ Water Supt./Mechanic
- ❖ Labourer
- ❖ Office Assistant
- ❖ Cleaner

With the termination of the services of the Secretary Manager, Mr. Bhadase Poonai on December 31, 2003, the Accountant, Mr. Dereck Whyte, was appointed to act as the Secretary-Manager effective from 2nd January, 2004. He abandoned his job on January 20, 2004 and investigations revealed that he had migrated.

The manner in which Mr. Whyte left and subsequent discovery that a number of deposit books were missing led to suspicion and the Auditor General's Office was invited to look into the status of the Committee's Accounts. Investigations revealed that a fraud was committed from 1997 to 2004/01/19 to the tune of \$34,782,253 allegedly by Mr Derek Whyte.

The Auditor General's report also found that there was negligence on the part of Mr. Martin Stewart, the Senior Accounts Clerk who had the responsibility for the receiving of all cash and cheques and that Mr. Bhadase Poonai, the Secretary-Manager, failed in his duty to supervise.

Mr. Martin Stewart's service was terminated on September 24, 2004; Mr. Poonai's had been terminated earlier.

The police were notified and are investigating; they have taken possession of the relevant records.

SALARIES AND WAGES

All employees received an increase in wages and salaries of 5% for the year 2004.

RECRUITMENT OF ADMINISTRATIVE MANAGER AND ACCOUNTANT

The Committee had agreed to change the designation "Secretary-Manager" to "Administrative Manager" and had placed advertisements in the Chronicle Newspaper for the appointment of an Administrative Manager and an Accountant on October 1, 2004

Mr. Imtiaz Bacchus was appointed Administrative Manager and Mr. Dridnauth M. Gossai, Accountant. Both officers' services were terminated on December 31, 2004 for unsatisfactory performance.

4. TRAINING

As part of the Committee's Human Resource Development Strategy, in-house training continued to be an on-going exercise.

One employee attended a Seminar on the "Termination Act". Following this seminar employees were briefed on the content of the seminar, and were allowed to ask questions.

5. BURSARY AWARD

No Bursary was awarded for the year in review. However, two students continued to receive bursaries. The total paid for 2004 was \$22,000.

6. REGISTERED EXPORTER

Guyana Sugar Corporation continued to be the sole registered exporter of sugar.

RECEIPTS

LEVIES

During the year GuySuCo exported **289,565** tons of sugar and a levy amounting to **\$144,782,500** at the statutory rate of **\$500.00** per ton was payable to the Sugar Industry Labour Welfare Special Fund.

✓ **LOAN REPAYMENT**

Sugar workers who are awarded loans by the Committee make repayments through weekly deductions of not less than \$250.00 from their wages/salaries. Deduction slips are signed by each borrower, authorizing the management of the respective estate to make the deductions, which are then remitted to the Committee. If a worker wishes to make additional payment on the loan he/she may do so at the Committee's office and receive a receipt for such payment. Loan repayment totaling \$20,519,242 was remitted by the Corporation, \$205,100 by management of Houston Estate and \$2,994,073 was paid directly to this Office by a number of borrowers who wished to make additional payments on their loans. A number of workers approached various banking institutions for additional funding. The banks awarded loan to five workers who repaid the Committee their loan balances, which totaled \$1,041,500.

As can be seen from the above the sum of \$24,759,915 was received as loan repayment and deposited into the fund, Account Number 981.

✓ **CONVEYANCING OF TITLES**

During the year under review 112 persons prepared applications for Title to their lots. Of the 112 applications, 44 were fully processed. Also 70 applications received from previous years were processed, giving a total of 114 applications which were processed.

The Committee uplifted 104 Certificates of Title from the Land Registry and delivered same to the Registered Proprietors. 63 of these Certificates of Title were from transfers filed during the year 2004 and the remaining 41 from transfers filed during the previous years.

SECOND TRANSFER

The Committee also received 34 applications from Registered Proprietors for consent to transfer their properties to other purchasers.

From these activities, conveyancing fees and second transfer fees, totalling \$3,090,830 were received.

WATER SUPPLY

The Committee expended \$1,955,275 for operating and maintaining the remaining three water pumps at Adelphi, Ocean View and Zeeburg. This includes purchasing of spare parts fuel and electricity.

HOUSING LOANS

Housing loans were granted to sugar workers to assist them to construct, repair and extend their houses on land allocated to them by The Sugar Industry Labour Welfare Fund Committee (SILWFC) as well as on their privately owned land. These loans are interest free. The maximum amount granted to sugar workers to assist him/her to:

- (a) construct a new house is \$200,000
- (b) Repair his existing house is \$40,000 and
- © Extend his house is \$50,000.

During the year, 109 new loans, 11 repair loans and 11 extension loans were approved. Loans were disbursed in installments, the receipt of each installment being dependent on the borrower satisfying the Committee that the previous installment had been fully expended for the purpose intended. A total of 275 sugar workers received either 1st, 2nd or 3rd disbursement totalling \$18,800,000 to assist them to construct their houses, 18 workers received a total of \$360,000 to assist in the repair of their houses and 18 received a total of \$450,000 to assist to extend their houses giving a total of \$19,610,000.

STAFF LOAN

One Building Inspector was granted \$300,000 to assist him to purchase a motor car to be used in the execution of his duties.

WATER SUBSIDY

Over the years one of the social responsibility of the Committee was to supply potable water to the sugar workers. This service was free of cost. With the transfer of this service to Guyana Water Incorporated (GWI), sugar workers would have to pay the normal rate applicable to the other consumers. As a result an agreement was reached whereby the Committee would refund \$900.00 yearly to each sugar worker who has paid G.W.I for this service. A total of \$113,400 was paid out to 126 sugar workers. The response to this effort was disappointing as most of the sugar workers did not take full advantage of this.

ADMINISTRATIVE EXPENSES

The staff enjoyed a 5% increase across the board in salary and wages for the year under review. The gross salaries and wages in 2004 totalled \$27,150,886.

OFFICE FURNITURE AND EQUIPMENT

Two computers, complete with stabilizers printers and photocopier, were purchased to the tune of \$714,702.

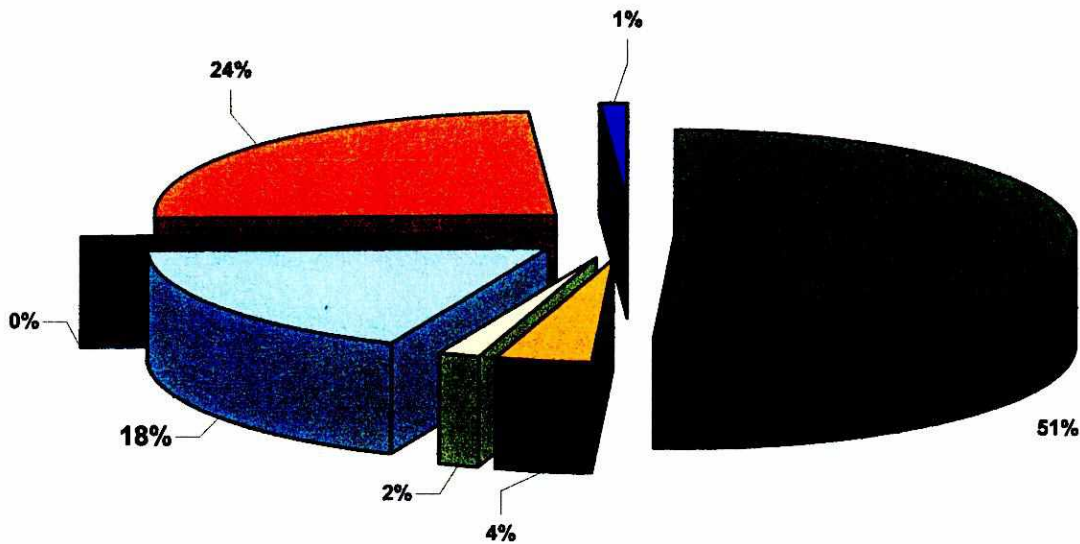
MAINTENANCE OF BUILDING

The Committee expended \$435,560 towards the maintenance of its Head Office, Kingston, Georgetown. This included carpeting of 3 offices costing \$209,538.

PAYMENTS - 2004

| NO: | CATEGORY | AMOUNT | PERCENTAGE |
|--------------|---|--------------------|----------------|
| 1 | Procurement of P.V.C. Pipes & Fittings | 56,655,462 | 50.97% |
| 2 | Developmental Works & Rehabilitation | 4,222,219 | 3.80% |
| 3 | Water Supply | 1,955,275 | 1.75% |
| 4 | Disbursement of Loans (staff and sugar workers) | 19,910,000 | 17.91% |
| 5 | Water Subsidy | 113,400 | 0.11% |
| 6 | Admin | 27,150,886 | 24.42% |
| 7 | Repairs to Head Office and Building & Furniture | 1,150,262 | 1.04% |
| TOTAL | | 111,157,504 | 100.00% |

INDIVIDUAL PAYMENT AS A PERCENTAGE OF TOTAL PAYMENTS



- Procurement of P.V.C. Pipes & Fittings
- Developmental Works & Rehabilitation
- Water Supply
- Disbursement of Loans (staff and sugar workers)
- Water Subsidy
- Admin
- Repairs to Head Office and Building & Furniture

CONCLUSION

The Committee continued to execute its mandate to improve the living conditions of sugar workers. Very shortly the Committee will divest itself of the water port-folio with the handing over of the remaining wells to Guyana Water Incorporated (GWI).

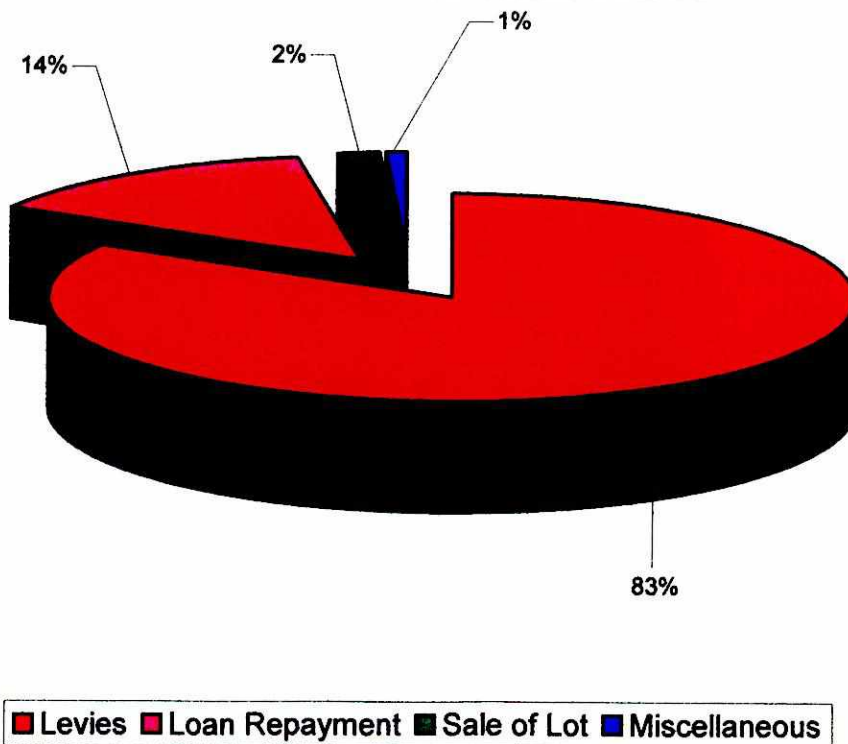
The divestment of the wells and the low demand for house lots will cause the Committee to review its operations to improve the quality of life of sugar workers and 2005 should see a move in this direction.

SOURCES OF RECEIPTS - 2004

Levies together with other sources of Receipts for 2004 were:-

| SOURCE | AMOUNT \$ | PERCENTAGE |
|----------------|--------------------|----------------|
| Levies | 144,782,500 | 83.24% |
| Loan Repayment | 24,759,915 | 14.24% |
| Sale of Lot | 3,090,830 | 1.78% |
| Miscellaneous | 1,282,672 | 0.74% |
| TOTAL | 173,915,917 | 100.00% |

**SOURCES OF RECEIPTS AS A PERCENTAGE
OF TOTAL RECEIPTS**



PAYMENTS

For the past years, the Committee has been working assiduously to facilitate a smooth transfer of the pure water supply system to Guyana Water Incorporated. P.V.C pipelines were laid, culverts installed and repaired and the three remaining pumps were repaired.

Installation of PVC Pipes and Fittings

In the year under revenue \$18,939,640 were spent to purchase PVC pipes and fittings for use at Zeeburg/ DeWillem, West Coast Demerara.

Contracts were awarded and pipelines were laid at Adelphi, Reliance, Kilcoy/Chesney, (Berbice), Non Pariel, (East Coast Demerara) and Land of Canaan, (East Bank Demerara). A total of \$32,360,244 was spent. Also the Committee expended \$5,355,578 to install service connections in the Ocean View, Uitvlugt, DeWillem, and Zeeburg housing areas.

DEVELOPMENTAL WORKS

In 2003 contracts were awarded to develop house lots at Non Pariel on the East Coast of Demerara and Land of Canaan on the East Bank Demerara. These works were satisfactorily completed in early 2004. As a result the final payment of \$2,164,519 was made in 2004.

REHABILITATION WORKS

The Committee continues to upgrade the status of the housing areas and a contract for the construction of two internal roads, one access road, one walk way using D.B.S.T and repairs to culverts in Herstelling New Housing Area was awarded during the latter part of 2004. 15% of the total contract amounting to \$2,009,700 was advanced for mobilization. The Committee also repaired one culvert at Plantation Hope, West Coast Berbice to the tune of \$48,000.